

Exhibit C

1 A. And then for operations side is our operations manager,
2 our slot managers, slot shift supervisors, and then GSA or
3 gift service attendants.

4 Q. As the director of slot operations, are you personally
5 familiar with the day-to-day duties and responsibilities of
6 the slot technicians?

7 A. I am.

8 Q. And what about the utility technicians?

9 A. I am.

10 Q. At your property, is there any functional distinction
11 between slot technicians and the utility technicians?

12 A. Currently at this time, no. Our utility technicians and
13 our slot technicians perform relatively the same work.

14 Q. Okay. And what are the core job functions of the
15 technicians?

16 A. I think the primary responsibility is going to be to
17 monitor and maintain all aspects of the slot machine,
18 whether physical or electronic, to safeguard company assets,
19 and to make sure that the games are in proper working order.

20 Q. Okay. And you mentioned slot machines. What type of
21 machines are these technicians responsible for?

22 A. Our casino has multiple different slot machines, whether
23 it's a stepper reel product or a video product or even a
24 video poker, interactive type game.

25 Q. And just to make sure the record's clear for those of us

1 and the evolution of the surveillance technician position in
2 reaching its conclusion in that case.

3 HEARING OFFICER KOPSTEIN: The objection is overruled.

4 Q. BY MR. HARLOW: You can answer.

5 A. So the slot machines, over the course of years, have
6 changed dramatically from more of a mechanical device, if
7 you will, to something that's far more technical these days.

8 Q. Are there any ways in which guests may try to cheat or
9 scam the Company as to video poker machines?

10 A. With a video poker machine, I think we'll get more of a
11 guest opportunity trying to take advantage of the machines
12 because they file claims about how a card didn't hold
13 correctly or how a payout didn't come through on the game
14 the proper way.

15 Q. And just for the reader of record, who may not be
16 familiar with video poker, can you just describe in plain
17 English what you're talking about in terms of holding a
18 card?

19 A. I apologize. So with the video poker machine
20 specifically, you interact with the machine. You get to
21 choose kind of the outcome for the game. So if you're dealt
22 X five cards, you can choose to keep or throw away those
23 cards for another set. It's actually one of the first
24 skill-based typing if you will.

25 Q. And what is -- so how might a guest try to cheat the

1 Company with respect to those machines?

2 A. Typically, they'll get a complaint that a card didn't
3 hold. Like I said, you interact with the game. So you
4 press the button to hold the card. A lot of times, we'll
5 get someone who claims the card didn't hold it or it dropped
6 off or I was trying for something different and it wasn't
7 there.

8 Q. And what is the slot technician's role in resolving
9 those types of issues?

10 A. Usually the guest will file the complaint with the slot
11 supervisor, but it will be the slot technician who actually
12 does the research on the game to find out if there's any
13 true issue with the machine.

14 Q. And when you say do research on the machine, what do you
15 mean?

16 A. They'll be the ones to go into the machine to make sure
17 that all the mechanics of it or the electronics of it are
18 actually working properly, that if it was a touchscreen
19 issue or a button issue, that not only is the problem
20 identified, but it's resolved.

21 Q. Okay. And does the slot technician make a
22 recommendation to the supervisor as to the technical
23 functionality of the machine?

24 A. Yes. Yes, the slot technician will inform the
25 supervisor of any issues that he may have on the machine,

1 whether they're positive or negative. They give the actual
2 what happened with the device, if you will.

3 Q. Okay. And who is the one who actually communicates the
4 Company's decision to the guest?

5 A. The actual decision is communicated to the guest by the
6 slot supervisor.

7 Q. Okay.

8 A. So they'll take the information that the slot technician
9 will give to them into consideration as to whether they
10 should or should not make that payment, if you will.

11 Q. Okay. And is the recommendation of the slot technician
12 typically followed by the supervisor?

13 A. Traditionally, yes. Under certain circumstances, the
14 supervisor may deviate from the recommendation, but it's
15 most likely for a -- to make the situation better for the
16 guest because they're a better player, not necessarily
17 because the slot technician said there was something wrong
18 or there wasn't something wrong.

19 Q. Can you give us an example of when a slot supervisor
20 might deviate from the slot technician's recommendation?

21 A. One of the best examples are always when it looks as
22 though a true payout is there. Sometimes on certain
23 machines, the reels, they're a stepper reel kind of a game,
24 where they have an overlay that goes over the top, and
25 they'll come loose from time to time. And so it will look

1 as though there's an actual payout on the machine even
2 though the machine didn't pay it out. The machine doesn't
3 know what the overlay is. It just knows that something else
4 goes on top of it. That's what translates to the player.
5 The technician can come back and say that there's no actual
6 problem with the machine, that it truly paid out what it was
7 supposed to, but the reel had slipped off or was in the
8 wrong position. And often the supervisor will decide to pay
9 the guest based on perception.

10 Q. Okay. And throughout my question, I've been using the
11 term "guest." Do team members -- do other team members also
12 play at the property?

13 A. Yes.

14 Q. And is there any functional difference in a slot
15 technician's role when it's a team member playing on the
16 machine versus an outside guest or third party guest?

17 A. As far as the decision on what happens?

18 Q. Yes.

19 A. No, it'll be identical.

20 Q. Okay. Are you familiar with the bill validator?

21 HEARING OFFICER KOPSTEIN: I'm sorry. If you could just
22 clarify about team member?

23 MR. HARLOW: Sure. Team member is their term for
24 employee.

25 HEARING OFFICER KOPSTEIN: Can you just clarify what a

- 1 voucher can be placed inside of a validator, if you will,
2 and the system will read it and decide if it's valid or not.
- 3 Q. Is that the same thing as an easy pay ticket?
- 4 A. Yeah.
- 5 Q. And just so the record's clear, some, you know, for
6 example, I'm playing a slot machine and I hit, you know,
7 \$100 jackpot. I've got \$200 in the machine and I cash out,
8 the printed out ticket is worth \$200, and that's the TITO
9 ticket?
- 10 A. It's the total value of what's cashed out, yes.
- 11 Q. Are there any ways that guests may attempt to cheat the
12 Company with respect to the bill validators?
- 13 A. Often you'll get a guest that will file a complaint with
14 a supervisor saying that their bill wasn't accepted or
15 something, jammed into the machine, and we'll call a
16 technician to come look at it and find out what's wrong with
17 it.
- 18 Q. And what's the slot technician's role? What does he do?
- 19 A. They would be the one to go into the transport, find out
20 if there's anything jammed in it, going to the cash can to
21 find out if it's jammed. They'll review the history, the
22 game history, and then if need be, they'll be the ones who
23 will go open the cash can and actually find out the
24 denomination there.
- 25 Q. Okay. Without the slot tech, would the slot supervisor

1 be able to tell whether the guest was making a true or false
2 claim?

3 A. No.

4 Q. In your experience, are you aware of a supervisor ever
5 overruling a slot technician's recommendation as to the
6 technical conclusion of the slot technician?

7 A. No. The slot supervisor might decide to go a different
8 route or take care of the guest based on service
9 expectations, but when it comes to the validity of what
10 actually happened with the machine, when it comes to the
11 integrity of the machine and what happened to it, I believe
12 that the slot technician's role is conclusive.

13 Q. Okay. I want to turn your attention to what I'll call a
14 traditional slot machine where the reels spin and you, you
15 know, hit the line or you don't. Is there -- are there ways
16 in which guests will attempt to cheat the Company with
17 respect to those machines?

18 A. Yes.

19 Q. And how might they do that?

20 A. When it comes to the reels that actually spin around or
21 anything, guests will claim that a jackpot hit it or that
22 the machine didn't pay out the proper amount or that there
23 was a malfunction with it, if the door were to open in some
24 way or another.

25 Q. Okay. And, again, what is the slot technician's role in

1 those type of events?

2 A. Traditionally, the slot tech will be the one that's
3 first called out to actually review the game, find out if
4 there's truly an issue with it or to find out if there's any
5 problems that need to be addressed and if the jackpot is
6 truly there or not.

7 **(Employer's Exhibit 1 marked for identification.)**

8 Q. BY MR. HARLOW: Let me show you a document we've marked
9 as Employer's 1, and go ahead and take a minute to review
10 it. Do you recognize this document?

11 A. I do.

12 Q. Okay. And what is it?

13 A. It's a jackpot verification policy. It's the process
14 that you use for the slot technician to actually verify the
15 signature or the hash of the game.

16 Q. Okay. And is this a true and correct copy of the
17 document?

18 A. It is.

19 MR. HARLOW: We move to admit it as Employer's 1.

20 MR. STERN: Voir dire, please.

21 HEARING OFFICER KOPSTEIN: Okay.

22 **VOIR DIRE EXAMINATION**

23 Q. BY MR. STERN: Where did you get this?

24 A. It was issued to me earlier today.

25 Q. By who?

1 **(Employer's Exhibit 2 marked for identification.)**

2 Q. BY MR. HARLOW: I'm going to show you a document that
3 I've marked as Employer's Exhibit 2. Go ahead and take a
4 minute to look it over, and then look up when you're done.

5 A. Okay.

6 Q. Do you recognize this document?

7 A. I do.

8 Q. And what is it?

9 A. This is a mandatory notice issued by IGT for invalid
10 software.

11 Q. And is this a true and correct copy of the document?

12 A. It is.

13 MR. HARLOW: We move to admit Employer's 2.

14 HEARING OFFICER KOPSTEIN: Any objection?

15 MR. STERN: I don't see the relevance, but I'm not going
16 to object.

17 HEARING OFFICER KOPSTEIN: Okay. Employer 2 is
18 received.

19 **(Employer's Exhibit 2 received in evidence.)**

20 Q. BY MR. HARLOW: And how does the Company receive these
21 types of documents?

22 A. Well, the documents are sent to us by email or via the
23 documentation to find out if we have any games on the floor
24 that actually meet the criteria of anything that has been
25 revoked. And then when the software comes in, we'll have it

1 replaced.

2 Q. Okay. And what type of issues in your experience might
3 result in this type of mandatory notice?

4 A. It could be a multitude of different issues. This one
5 in particular pertains to the theoretical payback not being
6 calculated correctly, but there could be inappropriate
7 symbols inside the game. There could be multiple -- any
8 kind of software or technical issue with the software itself
9 could mandate either a mandatory or advisory notice.

10 Q. Okay. And does that include potential vulnerabilities
11 in the software?

12 A. Yeah, absolutely. If there's a glitch or any kind of
13 issue with the software, a mandatory notice is issued
14 immediately.

15 Q. Okay. And what is the slot technician's role upon
16 receipt of one of these mandatory notices?

17 A. They would be the ones to install the software.

18 Q. Okay. Turning back to the machines, are there instances
19 in which guests claim that they're owed extra credits so
20 that their credits aren't properly reflected in the machine?

21 A. Absolutely. Again, there's multiple guest opportunities
22 that will happen where a guest will claim that they added
23 more into a device than they actually did, sure.

24 Q. Okay. And what is the slot technician's role in those
25 types of disputes?

1 A. They would definitely be the one to investigate it,
2 especially if it were something like a power outage or
3 something. That's usually when we get a big claim, and
4 they'd be the ones to look at it to find out if it's true or
5 not.

6 Q. And when you say look at it, what do you -- what does
7 that entail?

8 A. They would have to go through the history of the
9 machine, investigate to find out what was the last bill or
10 ticket put into it, what the amount should be based on the
11 betting pattern for any kind of issues that the machine may
12 have had.

13 Q. And earlier you mentioned easy pay or TITO tickets. Are
14 there instances in which guests may try to cheat the Company
15 with respect to those?

16 A. Yes.

17 Q. And how might they do that?

18 A. A TITO ticket works very similar to cash if you will.
19 It's validated by the machine. So guests have been known to
20 photocopy TITO tickets, or they will steal another person's
21 TITO ticket. There's multiple different ways that you can
22 try to counterfeit them or to forge them just as much as you
23 would cash.

24 Q. Okay. And what is the slot technician's role in
25 resolving a dispute concerning TITO tickets or easy pay

1 vouchers?

2 A. Right off the bat, if there's any issue with the
3 voucher, as far as it coming out of the machine in the first
4 place or whether it's truly a valid ticket, they would be
5 able to look at the machine and go through every aspect of
6 that to find out if the ticket is valid, if it's warranted
7 or if there was an issue.

8 Q. When you say look at the machine, again, what do you
9 mean?

10 A. I apologize. They would be able to review the history
11 of the machine, go through the settings, review the meters
12 to find out if the ticket is truly valid.

13 Q. Okay. Does Palace Station receive new slot machines
14 from time to time?

15 A. We do.

16 Q. What are the slot tech's duties with regard to the new
17 machines?

18 A. Traditionally a slot technician will install the locks.
19 They will make sure they install the player tracking. They
20 will review all the settings that are done by the
21 manufacturer, if those are set up, including pay lines,
22 wagers bet. They will test the games and report the
23 findings back, if there's any issues.

24 Q. Okay. And, again, just for the reader who may not be
25 familiar with your terminology, when you say payout for

- 1 signature, payout line, what do you mean by that?
- 2 A. Each game or most games, I should say, come with
- 3 variable theoretical payback percentages that can be chosen
- 4 based on gaming regulations. So you can choose to use a
- 5 higher or a lower hold percentage, and making sure the
- 6 correct hold percentage is crucial.
- 7 Q. And does it actually occur that machine settings are
- 8 sometimes incorrect?
- 9 A. Absolutely.
- 10 Q. Okay. And it sounds obvious, but what are the potential
- 11 consequences of the Company if the technician fails to
- 12 properly verify the machine settings?
- 13 A. I mean if the game settings are not done correctly,
- 14 based on the denomination of the machine, the impact could
- 15 be astronomical if it were a 2 percent gain versus a 10
- 16 percent gain. And what I mean by -- I apologize. The
- 17 percentage is the return of value to a player, and then
- 18 whole percentage is what we will gain.
- 19 Q. So just to make it a little more clear, so if it was a 2
- 20 percent hold percentage, on average, if a guest played \$100,
- 21 the casino would expect to retain \$2 and payback 98.
- 22 A. On average over the course of many expenses.
- 23 Q. Okay. And if it was a 10 percent hold, then the casino
- 24 would make 5 times as much money?
- 25 A. Yes.

1 Q. And what are they?

2 A. These are the games that are losing for 4 consecutive
3 days. It's 2 separate days of them.

4 Q. Okay. And that's a report of the games?

5 A. Yeah, the report is emailed to us daily or every other
6 day, and it indicates any time there's a machine that's
7 consecutively losing on too many days.

8 Q. Okay. And is that a true and correct copy of the
9 document?

10 A. It is.

11 MR. HARLOW: We move to admit it as Employer's Exhibit
12 3.

13 MR. STERN: No objection.

14 HEARING OFFICER KOPSTEIN: Okay. Employer's Exhibit 3
15 is received.

16 **(Employer's Exhibit 3 received in evidence.)**

17 Q. BY MR. HARLOW: And who is that document emailed to?

18 A. It's emailed to all the directors for each property.

19 Q. Okay. Does that include you?

20 A. Yes.

21 Q. Okay. And what do you do upon receipt of this
22 information?

23 A. We'll review the games on there to find out if anything
24 looks suspicious, or we'll go through -- I'll go through
25 specific information, any kind of history on the game, to

1 find out if there's any true issue. Sometimes the games
2 haven't been on the floor long enough. And so it's
3 difficult to get a read on whether it's truly losing or not.
4 But if I do notice any kind of an issue or a problem, I
5 would ask a slot technician to check the game.

6 Q. And so what does the slot technician do in the process?

7 A. Traditionally, if I ask him to check the game, it would
8 be to check it against the actual settings of what the game
9 should be. So does it have the correct denomination? Does
10 it have the direct accounting denomination? Is the game
11 working the way it's supposed to be? And then to bring that
12 information back to us and let us know why the game might be
13 losing.

14 Q. Okay. And what would you do if the machine turned out
15 to be incorrectly set or if the slot technician found a
16 problem?

17 A. Well, we'd have to make sure that it was set up
18 correctly, that whatever the error was, it would be fixed.

19 Q. Okay. Is there a potential for guests or other
20 employees to physically tamper with a slot machine?

21 A. Yes.

22 Q. How so?

23 A. A guest could try to pry up on the door, to break a lock
24 or try and gain access physically if they wanted to.

25 Q. Okay. And how much money is actually physically

1 contained in the machine?

2 A. It would really be based upon what the guest deposits
3 into it, but each cash can holds about 1,000 notes or up to
4 1,000 notes. So it could be probably anywhere from 20 to
5 100,000, depending on what's in it or what machine it is.

6 Q. And how are technicians able to physically access the
7 machines?

8 A. Slot technicians have keys for all the machines.

9 Q. And if a technician were to lose that key or to use it
10 dishonestly, what would the consequences of the Company be?

11 MR. STERN: Objection. Calls for speculation. Has
12 anyone ever lost a key?

13 HEARING OFFICER KOPSTEIN: Do you want to --

14 MR. HARLOW: It's a hypothetical question.

15 MR. STERN: Hypothetical or not. Based on the facts in
16 the case, it irrelevant. It calls for speculation. There's
17 no foundation. He's being asked to speculate. We don't
18 know if it's ever happened.

19 HEARING OFFICER KOPSTEIN: Has anyone ever lost a key?
20 I'll allow him to answer the question.

21 Q. BY MR. HARLOW: Answer my question.

22 HEARING OFFICER KOPSTEIN: Answer the question.

23 THE WITNESS: Okay.

24 Q. BY MR. HARLOW: You can answer.

25 A. We do have rules specifically designed for if a key is

1 to be lost, that we have policies and procedures that are
2 set in place specifically if that were to happen, which
3 would cause us to have to change out the actual lock itself
4 if it were to be lost, if you will. I think above that,
5 they have access to the machine. If they wanted to take
6 advantage of it, slot technicians truly know and understand
7 the machine better than anyone else.

8 MR. STERN: I'm going to move to strike. The question
9 was what would happen if a slot tech lost a key, and he's
10 saying what would happen if he was dishonest and used it
11 dishonestly. Totally unresponsive. Totally.

12 MR. HARLOW: That actually was my question. I said --

13 MR. STERN: I'm sorry. I take it all back. I was
14 wrong.

15 HEARING OFFICER KOPSTEIN: Okay.

16 MR. STERN: I misunderstood the question.

17 **(Employer's Exhibit 4 marked for identification.)**

18 Q. BY MR. HARLOW: I'm going to show you a document we'll
19 mark as Employer's 4. Do you recognize the document?

20 A. I do.

21 Q. And what is it?

22 A. This is a slot machine access key. The document
23 identifies the machine's keys that they use.

24 Q. Okay. And is this a true and correct copy of the
25 document?

1 HEARING OFFICER KOPSTEIN: So will we get a copy of the
2 complete document? And we can admit that into evidence.

3 MR. HARLOW: Sure. We'll arrange to have copies printed
4 up.

5 HEARING OFFICER KOPSTEIN: Does that satisfy you,
6 Mr. Stern?

7 MR. STERN: Yes, sir.

8 HEARING OFFICER KOPSTEIN: Okay. With that caveat,
9 Employer's 4 is received.

10 **(Employer's Exhibit 4 received in evidence.)**

11 MR. HARLOW: Can we go off the record for a minute?

12 **HEARING OFFICER KOPSTEIN: Okay. Off the record.**

13 **(Off the record from 11:48 a.m. to 11:58 a.m.)**

14 **HEARING OFFICER KOPSTEIN: We're on.**

15 MR. HARLOW: So subject to that, is Employer's 4
16 admitted?

17 HEARING OFFICER KOPSTEIN: Employer's 4 is admitted.

18 **DIRECT EXAMINATION (cont.)**

19 Q. BY MR. HARLOW: Do the technicians have any interaction
20 with the Nevada Gaming Commission?

21 A. Yes.

22 Q. How so?

23 A. Traditionally, if there's a problem with the slot
24 machine, the slot technician will be the one to investigate
25 any kind of issue with the machine, and if the Gaming

1 Control Board is called on the game -- anything over \$500
2 automatically mandates that the Gaming Control Board is
3 called. Then they'll request to look at the machine, and
4 then almost every time the slot technician will be right
5 there with them to make sure that they can help them through
6 the process or any bit of it. They're also almost always
7 the first one to write out the statement for any kind of
8 issue with the machine.

9 Q. Okay. Does Station Casinos have a policy against
10 underage gaming?

11 A. We do.

12 Q. Okay. And what are the technicians' responsibilities
13 with respect to underage gaming?

14 A. It's the slot technician's responsibility to either stop
15 it or to record it immediately.

16 Q. Okay. And report it to who?

17 A. Report it to a security officer or report it to a
18 supervisor, to go there and stop underage gaming directly.

19 Q. And why is it important to the Company to protect
20 against underage gaming?

21 A. Because the Company can be fined for it. The team
22 members can be fined for it. You can lose your license for
23 underage gaming.

24 Q. Okay. Does Station Casinos also have a policy against
25 underage drinking?

1 A. They do.

2 Q. And what role, if any, do slot technicians play in
3 underage drinking?

4 A. I think it will mirror the same policy because their
5 proximity to the casino floor, because of the proximity of
6 the guests, that they would be expected to definitely stop
7 it or report it immediately.

8 Q. Are slot technicians provided with the identities of
9 known slot machine cheaters?

10 A. Yes.

11 Q. Why is that?

12 A. Because they can identify them. A lot of times, it will
13 be posted somewhere.

14 Q. I might have touched on this before, but are slot
15 technicians allowed to gamble on Station Casinos'
16 properties?

17 A. No.

18 Q. And why is that?

19 A. Because they have access to the internals of the machine
20 that can actually affect the outcome of the game.

21 Q. Okay. Is this different from other hourly employees?

22 A. It is.

23 **(Employer's Exhibit 5 marked for identification.)**

24 Q. BY MR. HARLOW: I'm going to show you a document that
25 we've marked as Employer's 5, and it's going to have the

1 same issue with the full slot manual.

2 MR. STERN: I'll stip this is one of the reports to be
3 in, and it may be admitted, subject to my objection for the
4 whole document.

5 HEARING OFFICER KOPSTEIN: Employer?

6 MR. HARLOW: It's fine with me. All I was going to ask
7 him to do was authenticate it.

8 HEARING OFFICER KOPSTEIN: Okay. Employer's 5 is
9 received subject to that understanding.

10 **(Employer's Exhibit 5 received in evidence.)**

11 Q. BY MR. HARLOW: If another slot tech was suspected of
12 manipulating a machine, who would investigate that?

13 MR. STERN: Objection. Calls for speculation.
14 Hypothetical not based on a fact in the case, and no
15 foundation that it's ever happened.

16 MR. HARLOW: It's a hypothetical.

17 HEARING OFFICER KOPSTEIN: Objection is overruled.

18 THE WITNESS: If there were an issue or that were to
19 happen on a machine or someone would alter the game in any
20 way, traditionally I would imagine that the slot technician
21 or another slot technician would be the one to investigate
22 the problem to find out if there were an issue with it.

23 Q. BY MR. HARLOW: And why do you say that?

24 A. Because they're the ones that we use to program the
25 machines and to check it out. So if something were done

1 inappropriately to a slot machine, if a system would flag
2 it, whether it's an accounting issue or anything like that,
3 our first order of business, if you will, is to have the
4 slot technician help look at it and find out if it's set
5 correctly and if there's any problems with it, and then get
6 it fixed. If we find that it was something that was done
7 inappropriately, then it would probably be investigated a
8 little bit further.

9 Q. I'm going to show you two documents that we'll mark as
10 Employer's 6 and 7.

11 **(Employer's Exhibits 6 and 7 marked for identification.)**

12 HEARING OFFICER KOPSTEIN: I've been handed 6?

13 MR. HARLOW: You know, we'll mark that one 6 and then
14 the other one is just substantively -- I'll mark this one 7.

15 Q. BY MR. HARLOW: Do you recognize these documents?

16 A. I do.

17 Q. Are these true and correct copies?

18 A. They are.

19 MR. HARLOW: We would move for the admission of
20 Employer's 6 and 7.

21 HEARING OFFICER KOPSTEIN: Any objection?

22 MR. STERN: No objection.

23 HEARING OFFICER KOPSTEIN: Employer's 6 and 7 are
24 received into evidence.

25 **(Employer's Exhibits 6 and 7 received in evidence.)**

1 Gaming Board?

2 A. How often do we have those?

3 Q. Yes.

4 A. I'm going to say on average -- once a week is too much.
5 Maybe about three times a month. It could be more, less,
6 really depending on volume.

7 Q. And the slot technicians do not have the authority on
8 their own to resolve a complaint, correct?

9 A. No, the slot technician is the professional for the
10 machine itself. They research and investigate the issue,
11 and they report their findings directly to the supervisor
12 who then makes the decision.

13 Q. Thank you, sir.

14 MR. STERN: Nothing further.

15 **HEARING OFFICER KOPSTEIN: Go off the record for one**
16 **second.**

17 **(Off the record at 12:20 p.m.)**

18 HEARING OFFICER KOPSTEIN: All right. Mr. Orosco, I'm
19 just going to ask a few questions of my own here.

20 You testified that security officers wear a special
21 uniform, right?

22 THE WITNESS: Yes.

23 HEARING OFFICER KOPSTEIN: What -- do the slot
24 technicians or utility technicians wear a uniform?

25 THE WITNESS: To be honest with you, I don't recall

1 technicians have any access to the surveillance room?

2 THE WITNESS: No.

3 HEARING OFFICER KOPSTEIN: Okay. Do the security
4 officers make rounds at the premises?

5 THE WITNESS: Yes.

6 HEARING OFFICER KOPSTEIN: Do you know if the
7 surveillance -- pardon me.

8 Do the slot technicians and utility technicians make
9 rounds?

10 THE WITNESS: They do. It's something we request that
11 they keep an eye on the floor, make sure that they look for
12 any kind of issue. Yeah, traditionally they'll get a call
13 for a problem, but will they walk the floor to see if
14 there's an issue? Absolutely.

15 HEARING OFFICER KOPSTEIN: According to a set schedule
16 or --

17 THE WITNESS: No, no, nothing on a set schedule at all.

18 HEARING OFFICER KOPSTEIN: So they have to be asked to
19 do that?

20 THE WITNESS: Yeah.

21 HEARING OFFICER KOPSTEIN: Okay. And you testified that
22 they look out for people cheating or suspected cheaters?

23 THE WITNESS: They can be observant of it. I think the
24 primary responsibility of a slot technician, especially as
25 it relates to any kind of a cheating, is to be the

1 professional on the device specifically, to sit here and say
2 that they can do the research on the device. They know and
3 understand if there's any kind of tampering on the device.

4 As far as cheating, whether -- it's an older device,
5 like a string and coin, if you will, to something even far
6 more sophisticated like devices that they sell online, if
7 you will, eBay, EMPs, things like that. So absolutely, I
8 think they would be the ones to look out for something in
9 particular, especially if it's found inside the machine,
10 because most people who go inside the slot machine don't
11 know or understand the parts that are in there. So they
12 wouldn't know if something was foreign.

13 HEARING OFFICER KOPSTEIN: If you know, if a blackjack
14 dealer saw someone counting cards, would they be expected to
15 report that?

16 THE WITNESS: I would assume they would. I don't know
17 what training they have on counting cards. I know the
18 supervisors receive that training specifically, but I don't
19 know about the dealers specifically.

20 HEARING OFFICER KOPSTEIN: Do the slot technicians have
21 any sort of specialized training or certification for their
22 jobs?

23 THE WITNESS: I can't personally speak to our slot
24 technicians because I haven't gone through files to see if
25 they have specialized training for it. But I do know that

1 there are very specific things inside the machine that you
2 have to have training for in order to know and understand,
3 whether it was a mentor training where someone showed you
4 specifically or if you went to a class to learn how to do
5 it. There are devices. There are equipment that are inside
6 of it that I don't believe 99 percent of the population of
7 the casino would know or understand what it is, if that
8 makes sense.

9 HEARING OFFICER KOPSTEIN: Okay. If there is a physical
10 altercation on the casino floor that the slot technicians or
11 the utility technicians observe, what would they be expected
12 to do?

13 THE WITNESS: I wouldn't believe they would get involved
14 in a physical altercation on the casino floor. The
15 expectation, I believe, would be to notify someone to let
16 them know that there was a problem going on.

17 HEARING OFFICER KOPSTEIN: Notify someone. Do you know
18 which someone?

19 THE WITNESS: Most likely a security officer or a
20 supervisor.

21 HEARING OFFICER KOPSTEIN: Okay. Do you know who
22 supervises the security officers?

23 THE WITNESS: I believe they have a chief or they have a
24 supervisor of their own.

25 HEARING OFFICER KOPSTEIN: Part of the security

1 department?

2 THE WITNESS: Yeah, part of the security department.

3 HEARING OFFICER KOPSTEIN: Do the slot technicians ever
4 substitute for the security officers?

5 THE WITNESS: Only visually, if they're doing a job
6 where they're walking around on the floor. They will, you
7 know, stand watch if you will from time to time, just to
8 keep an eye on the drop if you will.

9 HEARING OFFICER KOPSTEIN: Okay. Does anybody have any
10 questions based on my questions?

11 MR. HARLOW: I have some redirect actually based on his.

12 HEARING OFFICER KOPSTEIN: I'm sorry. Redirect. This
13 will be brief.

14 **REDIRECT EXAMINATION**

15 Q. BY MR. HARLOW: You were in the process of testifying
16 that everyone is responsible for reporting gaming violations
17 or something to that effect, and you started to say,
18 "however." I just wanted to give you a chance to complete
19 your thought.

20 A. I was just saying, you know, that everyone is required
21 to notify or to say or do something about it.
22 Traditionally, if internal maintenance were to see a person
23 drinking or gambling or anything, and there was a slot close
24 by, I believe they would ask them to do something about it,
25 or they would notify them before somebody else. I don't

1 know that they would run off to find their own supervisor or
2 even to identify another security officer. I think if they
3 had seen them close by, they would ask them to do something.
4 And that being said, it doesn't mean that they would walk up
5 and physically do something. Perhaps they would report it
6 as well.

7 Q. And then we've discussed a number of ways that guests or
8 team members may try to cheat the Company. How often in one
9 way or another does it happen that a guest or team member
10 tries to cheat the Company approximately?

11 MR. STERN: Objection. Foundation.

12 HEARING OFFICER KOPSTEIN: Overruled.

13 MR. STERN: How does he know? They'd have to catch 100
14 percent of the people trying to cheat to know.

15 HEARING OFFICER KOPSTEIN: You can rephrase the
16 question.

17 Q. BY MR. HARLOW: In your experience, how many instances a
18 day are you aware of where a guest or team member attempts
19 to cheat or scam the Company?

20 A. And if I had to guess based on --

21 Q. I don't want you to guess. Just an approximation,
22 please, because it's going to change day to day. We
23 understand that.

24 A. An approximation would be based on what I actually know.

25 Q. Okay. Would you say it happens --

1 A. On a daily basis. It would happen daily, at least once
2 daily --

3 Q. Okay. Thank you.

4 A. -- if that's fair.

5 MR. HARLOW: No further questions.

6 HEARING OFFICER KOPSTEIN: Mr. Stern.

7 **RECROSS-EXAMINATION**

8 Q. BY MR. STERN: Did you testify that it's a part of the
9 slot technician's normal duties to watch a drop?

10 A. They actually --

11 Q. Did you testify to that? Yes or no.

12 A. I did.

13 Q. Can you please show me --

14 MR. STERN: Permission to approach.

15 HEARING OFFICER KOPSTEIN: Granted.

16 Q. BY MR. STERN: I'm going to hand you two job
17 descriptions that your attorney put into evidence,
18 Employer's Exhibits 6 and 7.

19 A. Okay.

20 Q. For the utility and slot technician. And it must just
21 be my bad reading. Can you show me in there where it says
22 slot technicians are responsible for observing a drop,
23 watching a drop?

24 A. I cannot.

25 Q. Okay. You also testified that slot technicians do

1 for with the accounting department and more or less an
2 independent contractor and hired to do consulting work.

3 Q. Okay. And the Gaming Commission, is that the Nevada
4 Gaming Control Board?

5 A. Yes.

6 Q. Sometimes also referred to as the NGCB?

7 A. Yes, it's a two-tiered system. We have the Nevada
8 Gaming Commission and the Nevada Gaming Control Board.
9 They're two separate entities.

10 Q. Okay. And is the Nevada Gaming Control Board, do they
11 have the authority to make arrests?

12 A. They do.

13 Q. Is it considered a state law enforcement agency?

14 A. Yes, it is.

15 Q. Okay. And what positions did you hold at the Nevada
16 Gaming Control Board?

17 A. I began with the board in February of 1995 as an
18 enforcement agent, and I was assigned to the field services
19 section, which responded to casino complaints, reports of
20 individuals that were being detained by the casino subject
21 to arrest, and subsequent to that, in 1996 I believe,
22 sometime in the late summer, I was promoted to senior agent,
23 and I was assigned to the special investigations section,
24 which did confidential investigations on major issues
25 involving licensees, specifically bookmakers and things such

1 guest attendants there at that point, and if we would need
2 any technical expertise, that's when we would summons the
3 slot technician to respond.

4 Q. Okay. And you briefly alluded to it. So what, if any,
5 role does the slot technician play in the process?

6 A. Well, they have a critical role in the process because
7 they're the only ones with access, access to the device and
8 the expertise in which to run the diagnostics of the
9 machine. Game recall, we have button tests, reel step
10 tests, reel strip tests, all of these different functions;
11 plus they can look at all the accounting information such
12 as, you know, how many bills were in the validator and which
13 sequence they were entered, all kinds of different things
14 that the machine can track.

15 Q. Okay. And in your experience, before the Gaming Control
16 Board gets involved, has the casino itself typically
17 conducted an internal investigation and reached a decision
18 as to the dispute?

19 A. Yes. Once I arrived, one of my first duties, I guess,
20 that I would use for myself is I would try to determine who
21 the individual was that made the final binding, non-payment
22 decision, speak to that individual because they then give me
23 the Company's position on the individual's complaint. So
24 then subsequent to that, then I would reverse -- kind of
25 reverse-engineer everything they done up to that point to

1 determine along the way if I agreed with all of the
2 different findings they had made before my arrival.

3 Q. Okay. And in your experience, is that -- what, if any,
4 does the slot technician have in that process?

5 MR. STERN: I'm going to object. That calls for
6 speculation. It doesn't seek probative facts. It's unknown
7 as to time. It's these sort of general questions. We don't
8 know what employer he's referring to. It's just generalized
9 testimony and has no probative value, and I object to it.

10 HEARING OFFICER KOPSTEIN: It's as to his experience, I
11 think. I'll overrule the objection, and the testimony will
12 be given the appropriate weight by the finder of fact.

13 Q. BY MR. HARLOW: You can answer.

14 A. Like I said, upon my arrival, if there was, you know,
15 written voluntary statements taken, I would review those.
16 But at the same time, I would also conduct a personal
17 interview of the patron, any other witnesses, and of course,
18 the slot technician themselves, to determine what, if
19 anything, they had done, what, if any, determinations they
20 had made, and then based on that information, I would move
21 forward and complete the investigation and agree or disagree
22 with their findings.

23 Q. Okay. And in your personal experience, what weight, if
24 any, is given to the slot technician's conclusions or
25 recommendations?

1 MR. STERN: I'm going to object. It's vague. What
2 weight is given by who?

3 HEARING OFFICER KOPSTEIN: If you could rephrase.

4 Q. BY MR. HARLOW: By the Nevada Gaming Control Board.

5 A. Me as the primary decision make, I give great deference
6 to the information that they have provided.

7 Q. And when you interact with these slot techs at the
8 property, do the slot techs act on their own accord, or are
9 they directed what to do by the Gaming Control Board?

10 MR. STERN: Objection. Calls for speculation.

11 Q. BY MR. HARLOW: In your experience.

12 A. I do not know. It's taken outside my presence. I have
13 no idea.

14 Q. No, I'm talking once you personally arrive on the scene.
15 I'm sorry, not the preceding investigation. Does that --

16 MR. STERN: I'm sorry. I'm lost in the questions.

17 THE WITNESS: Me, too.

18 HEARING OFFICER KOPSTEIN: Can you repeat the question?

19 MR. HARLOW: Sure.

20 Q. BY MR. HARLOW: You testified that you personally would
21 go out to these properties, these licensees to conduct the
22 investigation. Is that right?

23 A. Yes.

24 Q. And that you would personally interview the slot
25 technician?

- 1 A. Correct.
- 2 Q. Did the slot technician walk you through the
3 investigation of the machine?
- 4 A. Yes, they would.
- 5 Q. Okay. And would you give any directions to the slot
6 technician?
- 7 A. At that particular point, I would ask them specific
8 technical questions: Had they done a certain test, had they
9 looked at, you know, any certain anomalies of the particular
10 device. Case in point would be the video poker example. I
11 would have him do what we call game recall. Some machines
12 hold up to 10 to 15 games previous. So if they said the
13 fourth position hold button didn't work, I would say, okay.
14 How many in the last 15 games, show me all the games, with
15 the turn of a key or a button? Show me how many times that
16 fourth position button was employed in that particular game,
17 if they were using a game strategy. Then I would see if it
18 was used 3 out of the last 10 games. Obviously, the issue
19 with that button probably not working are obviously
20 diminished at that point.
- 21 Q. Does the Nevada Gaming Control Board also hear what I
22 understand are employee registration issues or employee
23 registration type disputes?
- 24 A. Yes. All of the employees are statutorily defined as a
25 gaming employee, have to undergo a background investigation,

1 including an application and fingerprints and so on, which
2 is separate and distinct from the one they filled out at the
3 human resources for the employer themselves. That was filed
4 with the state. Once we receive the application, we do our
5 own cursory records check. If we find that there's, based
6 on the fingerprint information or based on local records
7 checks, if there's arrest information or other let's say
8 nefarious acts associated with the person, we would then
9 assign that case to our background investigation section.
10 Once they've completed their investigation, if they decide
11 to object to that individual's employment, they're served
12 with a letter of rejection. HR is also served with a letter
13 of objection, and they have to terminate the individual as
14 an employee or transfer them to what is called a non-gaming
15 position.

16 Now, at the end of the day on that, a person then has a
17 60-day window in which to apply to me at the time for an
18 appeal hearing to reverse, modify, or sustain.

19 Q. Okay. And did you, in fact, oversee those hearings?

20 A. 2,227, I believe.

21 Q. Okay. And in your experience with those 2,227 cases,
22 what role, if any, did slot technicians play in the process?

23 A. The enforcement agent would pre-file testimony and
24 documents with me as the hearing officer. I would review
25 those documents, and most often, if it was a criminal case

1 that had involved the board as the arresting agency, then I
2 would be able to review the investigative report filed by
3 the arresting agent, and in there, I would find interviews
4 of the slot techs, written voluntary statements of slot
5 techs, and in so doing, looking at that information, not
6 only did the district attorney give great deference to it to
7 decide on a prosecution as a felony, but I would also look
8 at that and give great deference to it as well.

9 Q. And earlier you mentioned Gaming Board has the authority
10 to make arrests. Did I get that right?

11 A. It's 436.1140, powers and duties of board and commission
12 that's granted by the legislature, the power to conduct
13 arrests.

14 Q. Okay. And what rule, if any, did slot technicians play
15 in the arrest procedure?

16 A. As a specific example, I recall in some cases, when we
17 used to have what used to be coin-based games or token-based
18 games, as opposed to the TITO and cash-based games,
19 typically the slot techs would have to respond when they had
20 what we call a coin jam where you couldn't get the coins to
21 go into the coin head. There would usually be like a lead
22 slug or something stuck in it by some obvious individual who
23 was willing to cheat. Now, at that particular point, not
24 only does the slot tech play a critical role in forming, you
25 know, the probably cause to effect an arrest, if the

1 individual was detained, but they would also find themselves
2 in the chain of custody for the evidence because once
3 they've opened up the device and take the slugs out of the
4 coin hopper, as it was called, and then release that to the
5 agent, then they would find themselves in the chain of
6 custody.

7 MR. HARLOW: No further questions.

8 **CROSS-EXAMINATION**

9 Q. BY MR. STERN: What percentage of time do slot
10 technicians at Palace Station deal with the Gaming Control
11 Board? What percentage of an average week? Do you know?

12 A. My goodness. I have no idea. I've been a field agent
13 since 1997.

14 Q. I'll settle for I have no idea. Did -- when's the last
15 time you investigated any case at the Palace Station, if
16 ever?

17 A. Oh, if ever. Several times.

18 Q. When's the last time?

19 A. 19 -- probably 1997, when I was a supervisor.

20 Q. 1997 they still used coins in slot machines, correct?

21 A. Coins and tokens.

22 Q. That's not the case any more though, is it?

23 A. No, with the advent of the machines being evolved,
24 obviously, they've gone to the cash-based systems and the
25 TITO tickets.

Exhibit D

SLOT TECHNICAL TEAM POLICY 22

SUBJECT: JACKPOT VERIFICATIONS

PURPOSE: To establish Slot Technical Team policy concerning the verification of Jackpots.

POLICY:

22.1

The Slot Technical personnel are responsible to provide Jackpot verification at any time requested to do so by Slot Shift Manager. Jackpot verifications will include, at a minimum, verification that a jackpot condition exists on the machine, verification of the accuracy of the jackpot amount reported by the Game Program and verification that the integrity of the machine and the Game Processor have not been violated. If requested to do so, Slot Technical personnel will verify the electronic signature of the Game Program (ie; Kobetron/Dataman signature) with manufacturer or recoded data. In the event the Slot Technical personnel who is performing the jackpot verification determines or believes the jackpot is not valid, the Slot Shift Manager on duty will be advised. Under no circumstances will the Slot Technical personnel performing the jackpot verification express a judgment or opinion concerning the validity of a jackpot claim in the presence of a Guest.

22.2

Slot Technical personnel will, without exception, provide jackpot verification for all jackpot awards of \$100,000.00 or greater. Such verification will be performed as detailed in paragraph 22.1 above with the addition that verification of the electronic signature of the Game Program (Kobetron/Dataman signature) must be performed and documented using a EPROM Verification Data Sheet.

ER 1



CN: 5226 Rev: C_M

MANDATORY NOTICE

MANDATORY SOFTWARE CUSTOMER NOTIFICATION

SUBJECT: WATP and Round Wager Playoff Replacement DATE: 03 Apr 2017

PRODUCT: Ascent GAME TYPE: Below

IGT releases products and modifications based on jurisdictional approvals received. The only area(s) authorized to incorporate change(s) in this notification are listed in the "Released Area(s)" field. The "Unreleased Area(s)" field indicates areas for which the replacements are pending development, submittal, or approval. In no circumstance can this modification be implemented in any other jurisdiction until approvals are received.

REASON FOR CN REVISION:

Revision C_M – 03 Apr 2017: Released GI020001M3DT003 and GI020003M3FT004 for use in NV.

SYMPTOM(S):

As reported on CN5223 or CN5224, the Weighted Average Theoretical Payback (WATP) may not have been calculated correctly when the Round Wager Playoff Feature was enabled. All aspects of game plays, payments, and revenue accounting are unaffected.

ATTENTION: IGT will provide up to two USB flash drives per property free of charge for 3 MONTHS from the jurisdiction release date on this CN. However, IGT recommends that all customers observe the replacement time frames required by their regulatory agency.

OLD PROGRAM	NEW PROGRAM	CRC32	UNRELEASED AREA(S)	RELEASED AREA(S)
Northern Fortunes FG 5R50L CMB GAME020001M3DT02	GAME020001M3DT03	204B5601	N/A	NJ, NV
Installation media: GI020001M3DT002	Installation media: GI020001M3DT003			
Icy Wilds FG 5R50L CMB GAME020001M3FT03	GAME020001M3FT04	328241CA	IL	NV
Installation media: GI020001M3FT003	Installation media: GI020001M3FT004			

ER2

OLD PROGRAM	NEW PROGRAM	CRC32	UNRELEASED AREA(S)	RELEASED AREA(S)
1421 Voyages of Zheng He FG 5R88L CMB GAME020001M3JS01	GAME020001M3JS04	N/A	IL	N/A
Installation media: GI020001M3JS001	Installation media: GI020001M3JS004			
King of Macedonia FG 5R40L CMB GAME020001M3MS02	GAME020001M3MS05	N/A	IL	N/A
Installation media: GI020001M3MS002	Installation media: GI020001M3MS005			

SLOT TECHNICAL TEAM POLICY 8

SUBJECT: SLOT MACHINE ACCESS KEYS

PURPOSE: To establish Slot Technical Team policy concerning issuance and control of Slot Machine Door Keys.

POLICY:

- 8.1 Slot Technical personnel who require access into Gaming Machines will, as appropriate, obtain Slot Machine Door Keys from the designated issuing authority in accordance with procedures established by that authority.
- 8.2 Slot Department personnel, once in possession of Slot Machine Door Keys are responsible for the security, control, care, use and maintenance of said keys until surrendered back to the issuing authority.
- 8.3 Slot Technical personnel are responsible to insure that Slot Machine Door Keys once obtained, are identified correctly, contain the correct number and type of keys and that keys are serviceable. Unusable keys must be immediately exchanged with the Shift Manager or Lead on Duty.
- 8.4 Slot Machine Door Keys may not be removed from the casino property without prior approval from either the Tech Manager or Slot Director.
- 8.5 Slot Machine Door Keys may not be loaned to other Team Members and must remain in the possession of the individual to whom issued until duly turned-in to the issuing authority.
- 8.6 Loss of Slot Machine Door Keys will be considered a most serious violation of Department and Station Casinos, Inc. policy and will result in disciplinary action that may include immediate termination.

SLOT TECHNICAL TEAM POLICY 13

SUBJECT: GAMING BY TEAM MEMBERS

PURPOSE: To establish Slot Technical Team policy concerning Gaming by Slot Technical personnel.

POLICY:

- 13.1 Slot Technical personnel are prohibited from play on table games at the property where he/she is employed. Play on live poker is allowed at all properties, including the property they are employed at.
- 13.2 Slot Technical personnel are prohibited from playing Slot Gaming Devices at the property where he/she is employed as well as any other Station Casinos, Inc. property.
- 13.3 Slot Technical personnel may place Race & Sports Book wagers. Race & Sports Book wagers may also be placed by Slot Technical Department personnel while on duty and in uniform, but only during authorized breaks.
- 13.4 Slot Technical personnel may not place a wager for another person and may not have another person place a wager for him/her.
- 13.5 Slot Technical personnel are required to sign and acknowledgment of The Station Casinos, Inc. Gambling Policy.